

SECRET

25X1

- 2 -

- 25X1 2. [redacted] all German specialists were grouped together in one shop. [redacted] this shop was referred to in Russian as Tsekh No. 10. The shop was primarily engaged in developing experimental optical equipment. It functioned more or less independently from the rest of the plant and was largely self-contained, having its own designing office, laboratories and workshops. The shop chief, his administrative assistants, a Party representative, and a few workers were the only Soviets employed in the German shop. The only Soviet employed in my section, the designing office, was the man assigned to calculate work norms. 25X1
3. There were three leading officials in the German shop, apart from the bosses of the individual sections (laboratories, workshops, and designing office). The shop chief or nachalnik was responsible for over-all operations, plan fulfillment, and procurement of supplies. His assistant, the zannachalnik, was supposed to see that everyone kept on the job. He was nothing more than a glorified foreman. The Soviet employee who occupied this position was no technician. He had previously been first secretary of the plant's trade union committee, or zavkom. The partorg (Party organizer) was the third leading administrator. Apart from the role he played in purely Party affairs, he was called upon to stimulate better production by initiating socialist pledges for individual workers, holding shop meetings, et cetera. In a technical capacity, he was employed as norm calculator in the designing office.
4. Production plans for the German shop were drawn up on a monthly basis. The shop chief established a monthly plan, presumably in accordance with orders received from the plant management. Once a plan was drawn up, the shop boss called in the various section chiefs, all of whom were German, and informed them of the plans for the individual sections. The section chiefs, especially the chief of the workshop, occasionally complained about the high demands imposed upon them. In such cases, they were generally successful in eliminating a few projects so that the plans could be fulfilled. Evidently certain projects were considered as musts by the Soviet management and had to be fulfilled at all costs. Minor projects were presumably included by the shop chief in order to give himself bargaining power in dealing with his German subordinates.
5. The German shop normally fulfilled its monthly plans despite all expectations to the contrary. The workshop within Shop No. 10 was the only section engaged in serial production. It produced small electric motors as a sideline. Poor organization within the plant often resulted in this section's failure to meet its production schedules. Other shops within the plant which produced parts for the motors seldom delivered them on time to the German workshop.
- 25X1 6. [redacted] these plans and individual production norms served the primary purpose of exacting the maximum amount of work from the German specialists. At any rate, the German specialists were never informed of the planned production figures for the entire shop. It is quite possible that a plan as drawn up for the shop by the plant management called for less work than the individual plans passed on to the workers. The situation was different in the Soviet shops within the plant. There, every plan was evidently discussed openly at a shop meeting of all workers before it was carried out.

S E C R E T

S E C R E T

- 3 -

7. The plant management undoubtedly supervised the progress of operations within the German shop by means of auditing plan fulfillment reports sent to it on a monthly basis. [redacted]

25X1
25X1

[redacted] Daily check-ups were carried out by the shop chief, his assistant, the partorg, and the section chiefs.

8. Because of the great emphasis given to plan fulfillment, there was a natural tendency to submit false reports on monthly operations in the event that production schedules were not met. This was done by indirect means and not by out-and-out lying. For example, the workshop within Shop No. 10 was once given a special assignment calling for the completion within a month of an especially complicated optical instrument. It was impossible to carry out this assignment. So the workshop simply slapped the instrument together and reported it as finished, although none of the time-consuming adjustments had yet been made. This aspect of the project was then included in the next month's plan.

9. To judge from operations within the German shop [redacted] Plant No. 393 could have operated far more efficiently under a different system of organization than Soviet methods of planning. These planning procedures were supposed to guarantee a maximum output from individual workers by relating their wages to norm and plan fulfillment. In this respect, the system was successful to a certain degree. However, planned production had some decided negative effects. It functioned erratically due to its rigidity and inflexibility. For example, parts produced by Soviet shops for electric motors assembled by the German workshop were never delivered on a daily basis. No parts were received during the first half of a production period. They were only delivered during the last two weeks of each month: at first a few and then in large volume. As a result, the workers in the workshop engaged in assembly operations had nothing to do in the first two weeks of each month. They were required to put in long hours of overtime during the latter part of the month in order to meet the plan. This malfunctioning undoubtedly had negative effects on morale as well as on production efficiency. However, if it were true that poor planning was to blame for inactivity during two weeks of each month, it on the other hand was responsible for compelling the workers to labor overtime in order to meet production schedules.

25X1

10. Shop chiefs received bonuses only if the shops under their supervision fulfilled or overfulfilled monthly plans. This provided shop chiefs with a strong incentive for plan fulfillment. However, this system was also an indirect cause of shady practices within the plant. All plant operations were not specified in the monthly plans issued to the individual shops. It frequently occurred that one boss approached another with a request that the latter fulfill a special work order for his shop. The second boss would only agree to carry out such a task on the condition that he receive something in return for his efforts. He knew that the man who approached him would not be able to fulfill his plan and would therefore not receive a bonus if the particular work was not carried out. Therefore, the recipients of such offers were always given special favors. The bosses of some shops used industrial alcohol for this purpose. The alcohol was used for cleaning lenses and other optical parts but was highly regarded by the Soviets as a beverage. It is also possible that shop bosses fulfilling work orders as a personal favor were sometimes given a cut of their friend's bonus.

S E C R E T

S E C R E T

- 4 -

25X1

EVALUATION OF SOVIET WORKERS AND EMPLOYEES

11. [] Soviet scientists and engineers engaged in optical research well qualified, especially in their theoretical training. However, there was a striking shortage of capable designers among [] Soviet employees [] Their deficiencies were probably the result of narrow training. Many of them were also inexperienced in their field. 25X1
12. [] 25X1
- [] one Soviet worker employed in the German shop, a so-called Stakhanovite, did such poor work that it frequently had to be redone. In addition, many parts received for assembly [] 25X1
- [] from Soviet shops within the plant were so poorly machined that they too had to be worked over. This would indicate that the work of Soviet skilled workers fell far below German standards.
13. There are several probable explanations of this situation. First, the norm system of determining wages did not result in exact and precise work but simply encouraged workers to produce a certain quantity of articles. Secondly, the inspection of finished parts was evidently careless or non-existent. And finally, the Soviet workers showed no strong liking or preference for precision mechanical work. It is possible that the Soviet industrial training system did not emphasize precision mechanics. Furthermore, the creation of a pool of workers engaged in a precision industry as well as the tradition and pride which they attached to their work is often a development of several generations. For example, the tradition of exact and accurate work has been passed on for several generations among the employees of the Zeiss Plant in Jena.

WORKING CONDITIONS AT PLANT NO. 393Controls

14. Plant No. 393 operated eight hours per day, six days per week. Workers in the German workshop were paid for overtime production. [] 25X1
- [] Employees in the designing office of the German shop were not paid for overtime work. 25X1
15. Soviet plant authorities demanded strict punctuality. A German specialist, who was two or three minutes late, was not allowed to enter his place of work until noon. The resulting time loss was deducted from his salary. [] 25X1
- [] when tardy, they were fined and suffered pay deductions for loss of time as well. 25X1
16. [] Plant No. 393 had been evacuated with its workers to Novosibirsk in 1941. When the plant was re-established in Krasnogorsk after the war, some workers were returned to Krasnogorsk while others were left behind in Novosibirsk. Many of the latter individuals attempted to obtain employment at the Krasnogorsk plant, as living conditions were better in the Moscow region than in Novosibirsk. Evidently only a few were able to obtain permission for such a transfer.

S E C R E T

S E C R E T

25X1

- 5 -

Production Improvement Measures

- 25X1 17. The chief and the partorg of Shop No. 10 convoked political and production meetings for the workers and employees of this shop. It is possible that the zavkom was represented by the zamnachalnik at these meetings as [] he was a trade union representative. As mentioned earlier, the shop boss held monthly conferences of section chiefs for the purpose of announcing and discussing production plans. The conferences were often followed by meetings of all workers and employees in the shop. These meetings, which were limited to the discussion of production plans, were held for the purpose of encouraging more work. Everyone present was urged to do his utmost to fulfill or overfulfill his particular assignment. The shop chief and partorg normally addressed the shop kollektiv. Their speeches were translated into German, as they spoke only Russian.
18. Shop-wide meetings were also held on the occasion of major holidays. Although these meetings were primarily political in nature, they also dealt with production matters in calling for greater efforts for May 1, Stalin's birthday, et cetera.
19. "Socialist obligations" were the only form of "socialist competition" carried out within the German shop. According to these obligations, individual workers usually pledged themselves to overfulfill their production norms by a certain percentage. They had absolutely no effect in increasing production within our shop. The whole thing was simply a swindle on the part of the Germans. In most cases they assumed obligations which were less than their normal production. A German worker never signed an obligation unless he was certain that he would produce more than the amount specified anyway. [] 25X1
[] the same situation prevailed in Soviet shops and sections throughout the plant.
20. Soviet workers in Plant No. 393 also engaged in "socialist competitions" drawn up between individual brigades or shops. [] 25X1
[] No money, but simply honor, was involved for the individual worker. It is unlikely that Soviet workers made any extra effort as a result of unremunerative competitions. They were concerned about every kopek which they earned.

Production Norms

21. The partorg of Shop No. 10 was the norm calculator in our designing office. In this latter capacity, he established the norms for our work. These norms were nothing more than the estimated number of hours required to carry out the various stages of a designing project. It was no easy matter to foresee how much time would be required for preliminary drafts, drawing up technical specifications, and setting down on paper the final blueprints for specific parts. The calculator was guided in this work by a norm code published by the Ministry of Aviation Industry. However, this code was only a general guide and did not provide exact specifications. Few designing projects were, in practice, identical with the models contained in the code. As a result, the norm calculator enjoyed considerable independence in establishing the various norms. He thus had a handy means of rewarding his friends and punishing his enemies. He fully utilized this opportunity.

S E C R E T

S E C R E T

- 6 -

25X1

22. Once the norms had been established for various projects to be carried out in the course of a month, the chief designer distributed the assignments to the designers in the office. Each designer theoretically received projects in a given month, the norms of which totalled 208 hours. This was the total number of working hours in a given month. A designer thus was given credit for exactly 208 hours upon completion of these projects, whether he devoted more or less time in accomplishing this.

23. When a designer completed an assignment, he submitted his assignment slip to the chief designer for his approval and signature. At the end of each month, the designer turned in these completed assignment slips to the norm calculator for his approval and signature. The norm calculator then credited the individual designer with the number of working hours noted on the assignment slips.

24. [] norms for repetitive, standard work processes were established according to a norm code valid throughout the entire Soviet mechanics industry. For example [] norms for certain preparatory machine work, such as milling, turning, and boring, were established according to norm codes prepared by the Ministry of Aviation Industry. Norms for such work were not entirely just, as they were based on the assumption that enough raw material was on hand to carry out the necessary process and that the piece, being machine made, was cut roughly to size. These two conditions were not always met. Machinists, therefore, had considerable trouble in meeting their norms.

25. It was apparent that norms (in terms of physical output) were increased in at least some Soviet shops at Plant No. 393 after price reductions had been effected. This was evidently an intentional policy on the part of the plant management, if not the ministry. [] the average Soviet worker came to the conclusion that this was a deliberate policy on the part of his government, inasmuch as the pressure of making a living forced him to be concerned about money and practically nothing else. The Soviet workers were always complaining about some raw deal concerning norms. On the other hand, it is possible that Soviet workers were so short-sighted that they focused their attention on the kopek saved by the price reduction laws and forgot about the rubles lost by norm increases.

26. [] the establishment of norms for all unique, unrepentive production processes within Plant No. 393 was the responsibility of each individual shop. This happened at least several times in the Soviet shop engaged in assembling photographic cameras. It was suddenly announced there that norms were increased, because they had been consistently overfulfilled by the better workers. Another example of the flexibility of norms occurred in the designing office [] One November, during the month of Soviet-German friendship, the shop boss launched a drive for all German specialists to sign obligations pledging extra efforts. As if by mutual understanding, all but one of the German employees in the designing office refused to sign any "socialist obligation." [] turned in [] assignment slips at the end of the month to the norm calculator to have them approved, he credited [] all with considerably less than 100% fulfillment. [] the calculator merely replied that the norms in physical output had been increased.

S E C R E T

S E C R E T

- 7 -

27. No matter how production norms were established (whether on a shop- or industry-wide basis), it was comparatively easy for a shop chief to juggle norms or work assignments in order to reward favorite workers. This was true in the case of Soviet workers designated as Stakhanovites. They were either Party members or Party pets. They were by no means such good workers as would appear by the production figures attributed to them.

PARTY ACTIVITIES AT PLANT NO. 393

28. As mentioned earlier, a Party organizer was assigned to Shop No. 10. He was referred to as the partorg by his Soviet colleagues. He carried out his Party functions as a sideline, inasmuch as he was employed in a full-time capacity as norm calculator in the designing office. [redacted] he performed the Party functions on an honorary basis, although it is possible that his efforts were rewarded in the distribution of bonuses. There was also a Party committee at Plant No. 393 which presumably was responsible for supervising all Party activities within the plant. [redacted]

25X1

29. The partorg handled certain organizational matters concerning the Soviet workers and employees in our shop who were members of the Communist Party. This was a minor task, as they were so few in number. Secondly, in conjunction with the zamnachalnik, he carried out "socialist competitions" within the shop. He acted as an agitator in these matters, endeavoring to obtain the participation of as many workers as possible. The partorg also joined with the shop chief and presumably the zamnachalnik in holding political meetings in honor of May 1 and other Soviet holidays.

30. A partorg was assigned to each Soviet shop within the plant. These functionaries presumably were charged with the same functions as carried out by the partorg in the German shop. In addition, they directed campaigns for the various Soviet elections in each shop. A partorg arranged for the decoration of his shop with political posters and banners and organized election meetings. Attendance at these meetings, which were held after working hours, was probably not compulsory, [redacted] many Soviet workers failed to attend them.

MVD-MGB ACTIVITIES AT PLANT NO. 393

31. According to hearsay, Section One (Otdel 1) of Plant No. 393 was not under the control of the plant director, but was directly supervised by the MVD. At any rate, it was clear that this office was responsible for maintaining security within the plant. It is also likely that it supervised the plant's guard detachment. Indicative of the latter point is the fact that a visitor was required to report first to Section One before being permitted to enter the plant. [redacted]

25X1
25X1

S E C R E T

S E C R E T

- 8 -

25X1

32. The plant's personnel section was also apparently charged with security functions. German specialists were often interrogated in the personnel section after they had been apprehended violating certain regulations, such as fraternizing with the local population or traveling to Moscow without a guard.

25X1

33. German specialists at Plant No. 393 were not allowed to travel outside the city limits of Krasnogorsk if unaccompanied by a guard. [redacted] required to submit a request for such a trip to the so-called komen-datura. The komendatura was the guard office located in the German residential area. [redacted]

25X1

[redacted] The German specialists frequently evaded this regulation, especially on trips to Moscow. The komendatura was just as erratic in applying measures to enforce the regulation. Apparently the komendatura from time to time received orders from above to crack down on the German specialists. Then, it stationed guards at various subway stops in Moscow for the purpose of apprehending German specialists visiting the city without guards.

POLITICAL INDOCTRINATION OF GERMAN SPECIALISTS

34. Until the fall of 1948, the German specialists at Plant No. 393 were represented in their dealings with the Soviet plant management by several of their own group elected for that purpose. These representatives were elected on a yearly basis according to a democratic voting process. During 1948 a small group of Germans who wished to collaborate with Soviet authorities approached TSYTOROVICH and suggested that he arrange a political program for the German specialists. TSYTOROVICH acted as the official liaison between the plant management and the Germans. He turned down the suggestion, saying in effect, "Let's leave politics out of this and do our work. You Germans have your own activities and we have ours."

35. However, this group persisted in its efforts and was finally successful. A certain KUZINSKIY, a representative from the central trade union committee in Moscow, appeared on the scene in the fall of 1948 and convoked a meeting of all German specialists. At this meeting, he declared that the German specialists need not elect their representatives to deal with the Soviet authorities as each German worker was free to submit complaints and requests to the plant management on an individual basis. Then he let the cat out of the bag in the next breath by stating that he was happy that some Germans had shown an interest in establishing a political group. This group would serve the purpose of explaining the Soviet system to the German specialists. At this point, KUZINSKIY introduced the group of collaborators mentioned earlier. It was established as the committee of the so-called Anti-Faschistischer Arbeitskreis, or Antifa (Anti-Fascist Study Group).

36. Thus, these Communist sympathizers established their own organization and simultaneously abolished the previous representation [redacted] Hans BRAUNE became chairman of the Antifa. Otto MUELLER, Bruno FANDENHERZ, and Herbert RIESE were the other members of the Antifa committee. By various means of intimidation and persuasion, this original group of four was able to increase the membership [redacted] to about 45 specialists.

S E C R E T

SECRET

25X1

- 9 -

37. Although it is true that BRAUNE as a youth had been a member of a Socialist youth group, he became an active supporter of the NSDAP (Nazi Party) during the Nazi regime in Germany. A German engineer employed at Plant No. 393 claimed that BRAUNE had actually been a member of the NSDAP, although the latter denied it. FANDENHERZ was a pure opportunist without any consideration for other people. RIESE was also an opportunist. He was appointed chairman of the works council (Betriebsrat) of the Zeiss Plant on his return to Jena as a reward for his political activities in the USSR. However, he was dismissed when someone discovered that he had been a member of the NSDAP. All members of the Antifa committee were political opportunists. None of them were convinced Communists.

38.



39. The activities of the Antifa group consisted of political indoctrination and political action. Political indoctrination was carried out in the form of reading circles devoted to the study of Stalin's Short Course and lectures on current events. The lectures, generally delivered by KUZINSKIY, were simply paraphrases of Pravda editorials. Political action primarily took the form of resolutions drawn up by the committee. In one case, the Antifa committee sent a letter to Premier GROTEWOHL in the name of the entire Antifa, stating in effect, "How fine it is to work voluntarily in the Soviet Union and thus to contribute to Germany's reparation." The committee neglected to inform the other members of the group of this step.

40. The Antifa activists indulged in other forms of trickery. For example, the German specialists were originally told that they could cast their votes in the 1949 election in the GDR Legation in Moscow. This, incidentally, is the only legal way [redacted] to vote while residing abroad. [redacted] the Antifa activists announced that such a step was impossible as the GDR Legation building could not accommodate all [redacted]. They asked for an unanimous vote for the SED ticket. They further stated that all those who did not do so were "of course" enemies of the Soviet State. As no one wished to have this dubious title while working in the USSR [redacted] all complied with their wishes.

41. The Antifa organization produced nothing but negative results for the bulk of the German specialists at Plant No. 393. [redacted]

Secondly, the German specialists had enjoyed far greater freedom of movement in traveling to Moscow and other neighboring areas prior

S E C R E T

25X1

S E C R E T

- 10 -

25X1 to the establishment of the Antifa. Soviet authorities restricted
25X1 [redacted] freedom of movement in later years. In addition, the Antifa
activists presumably functioned as informers among the German
specialists. [redacted] some Germans who were forced to
remain in Krasnogorsk [redacted] had been
denounced for some reason or other by these collaborators.

25X1

42. Furthermore, the Antifa committee resorted to crude measures in
order to increase the group's membership. [redacted]

25X1

25X1

25X1 [redacted] in fact, the members of the Antifa committee
were the only ones who profited by the whole deal. They received
easy work assignments at Plant No. 393 and several obtained good
jobs when re-employed at the Zeiss Plant in Jena.

S E C R E T